

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

USA STAFFING SERVICES, LLC

Plaintiff,

-against-

YDC, INC. d/b/a REZI

Defendant.

Case No. 23-cv-8613 (LGS)

DECLARATION OF MATTHEW KOLINSKI

MATTHEW KOLINSKI hereby declares:

1) I am the Chief Executive Officer of the Plaintiff, USA Staffing Services, LLC ("USA Staffing"), and make this Declaration in support of USA Staffing's Motion for Summary Judgment against Defendant YDC, Inc. d/b/a/ Rezi ("Rezi").

2) I make this Declaration upon my own personal knowledge.

JURISDICTIONAL CITIZENSHIP OF USA STAFFING

3) USA Staffing is a Florida limited liability company authorized to do business in New York.

4) At all times relevant hereto, USA Staffing had a single member, Staffing Management Group, LLC ("SMG"), a Florida limited liability company.

5) Until December 31, 2023, SMG had two members, MK Ultra Investments, LLC and Lead Staffing, LLC.

6) Effective December 31, 2023, SMG redeemed Lead Staffing's membership interest in SMG, leaving MK Ultra as its only member.

7) As documented in the Declaration of Mark Curtiss, Lead Staffing had a single member, Mark Curtiss, who is a citizen, resident, and domiciliary of Florida.

- 8) I am the only member of MK Ultra Investments, LLC.
- 9) I am a citizen of the United States.
- 10) My only residence and domicile is in Tampa, Florida.
- 11) I hold a Florida driver's license bearing my Tampa, Florida address; I am registered to vote in Tampa, Florida; and I file my income taxes from Tampa, Florida.
- 12) I do not have a residence in any location other than Tampa, Florida.
- 13) As such, because all of USA Staffing's membership interests were owned through intermediate LLCs each of which was ultimately owned by Florida citizens only, I understand that USA Staffing is considered a Florida citizen for the purposes of diversity jurisdiction.

HISTORY OF RELATIONSHIP WITH REZI

- 14) On or about June 17, 2021, USA Staffing and Rezi entered into a Staffing Terms and Conditions Agreement (the "Contract").
- 15) From the time of its signing through September 2023, USA Staffing performed under the Contract by providing its employees ("USA Employees") to Rezi on contract or temporary basis, having all timesheets of the USA Employees approved by Rezi managers, and billing Rezi for the time charges for the USA Employees on a weekly basis.
- 16) Under the Contract, payment on invoices was due on a net 30 day basis, and invoices would be considered in default if unpaid within 24 days after that.
- 17) Through approximately the end of 2022, Rezi generally paid all invoices it received prior to their going into default after 54 days.
- 18) However, starting in early 2023, Rezi began to delay payments and to allow invoices to go into default.
- 19) Although USA Staffing continued to receive payments from Rezi, the invoice balance in default grew during 2023.

20) During the course of 2023, I had multiple conversations and e-mail exchanges with Sean Mitchell, Rezi's CEO, about the Rezi's arrears and defaults.

21) In our discussions and correspondence, Mr. Mitchell never objected to any of USA Staffing's invoices or charges.

22) Instead, Mr. Mitchell focused on negotiating acceptable terms under which Rezi would pay off its arrears, which he never disputed were owed in full, repeatedly promising to make substantial payments when Rezi received cash infusions from financing.

23) Despite this, Rezi did not satisfy its arrears despite receiving several rounds of financing during 2023.

24) Through September 2023, I continued to negotiate with Mr. Mitchell with regard to Rezi's satisfying its arrears, but we were unable to come to an agreement acceptable to USA Staffing.

25) Two sample e-mail chains between me and Mr. Mitchell reflecting our discussions are attached hereto as Exhibit 8.

26) In late September 2023, when I had not received an acceptable proposal from Mr. Mitchell, I directed that the few remaining assignments of USA Employees to Rezi be terminated, as USA Staffing was permitted to do under the Contract when Rezi was in default.

27) I also directed USA Staffing's counsel to commence this action.

WHEREFORE, for the reasons set forth herein, in the exhibits hereto, in the accompanying Memorandum of Law, Statement of Undisputed Material Facts, and Declarations of Ivonne Orjuela, Mark Curtiss, and William J. Geller, Plaintiff USA Staffing Services, LLC, respectfully requests that this Court grant summary judgment against Defendant YDC, Inc. d/b/a Rezi and award (1) damages for unpaid invoices in the amount of \$704,081.61; (2) pre-judgment interest in the amount of \$66,006.71 through January 31, 2024, plus interest accruing in the

amount of \$10,561.22 per month thereafter; (3) attorneys fees in an amount not less than \$20,361.00 to be determined in a post-judgment motion; and (4) such other relief as may be just and proper.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

Executed at Tampa, Florida

March 7, 2024


MATTHEW KOLINSKI